

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING  
(UPS PROPOSALS ONE, TWO, AND THREE)

Docket No. RM2016-2

**UNCONTESTED MOTION OF THE UNITED STATES POSTAL SERVICE  
FOR EXTENSION OF TIME TO FILE INITIAL COMMENTS**  
(January 13, 2016)

UPS sought initiation of this proceeding to consider several proposals it was making regarding postal costing methodologies. See, Order No. 2793 (Oct. 29, 2015). Order No. 2793 set January 20, 2016 as the deadline for initial comments by interested parties. For the reasons stated below, the Postal Service now seeks a brief extension (three business days) of the due date for the submission of initial comments.

The Postal Service has consulted with UPS, Amazon, and the Public Representative on the requested extension. The Postal Service has been authorized to represent that UPS does not intend to oppose the Postal Service's request for an additional three business days as a matter of professional courtesy. Amazon and the Public Representative consent to the proposed extension.

ChIR No. 4 was issued on December 17, 2015. It questioned UPS on a variety of matters relating to its proposals, and sought responses to be submitted no later than December 31, 2015. On December 18, UPS moved for an 8-day extension of time to respond to ChIR No. 4. In response, both the Postal Service and Amazon raised concern regarding the potential that, if the requested extension to January 8th was granted, parties attempting to develop initial comments to be submitted on January 20th might not have adequate opportunity to respond to new material included in the ChIR

answers. Amazon affirmatively sought a corresponding extension in the due date for initial comments.

On December 22, the Presiding Officer granted the extension requested by UPS, extending the due date for responses to ChIR No. 4 until January 8th. The Presiding Officer acknowledged the concerns raised about interference with adequate time for preparation of initial comments, but deemed those concerns premature until the nature and extent of the UPS responses were known. Presiding Officer's Ruling No. RM2016-2/1 at 2.

UPS filed its responses on January 8, and thus the nature and extent of those responses is known now. Based on its evaluation of that material, the Postal Service submits that additional time is needed beyond January 20th for the full and fair consideration of the totality of material now submitted by UPS, and for the possible implications in the development of comments on the UPS proposals. ChIR No. 4 asked broad questions regarding the theory and application of Shapley values. The responsive materials submitted by UPS (not unexpectedly, given the questions it needed to answer) raise what appear to be a number of new issues not included in its previous submissions. For example, the response to Question 3 cites several documents not referenced in Dr. Neels' report (and not immediately available to the Postal Service or its experts) related to the application of Shapley values in other regulatory fora. The responses to Questions 5-7 appear to make new representations regarding the interpretation of the study by Charles McBride and the applicability of parts of the Postal Service's costing system for UPS's proposed methods. It will take

additional time to review and evaluate these and other new material and related arguments.

UPS obtained an 8-day extension to reply to ChIR No. 4. Given the scope of the new material, the Postal Service believes that an extension of three business days is required in order to be able to adequately review and assess the need to address these matters in its initial comments. That would extend the comment deadline to January 25, 2016. This brief extension should not prejudice any party, as the interval until the March 25<sup>th</sup> deadline for reply comments will still be approximately two months.

Therefore, the Postal Service respectfully requests that the due date for initial comments by the parties on UPS Proposals 1 and 2 be extended, as described above.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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